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January 31, 2011

The Honorable Gary Stevens President of the Senate Alaska State Legislature State Capitol, Room 111 Juneau, AK 99801-1182

Dear President Stevens,

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to supplemental appropriations for the State's operating and capital budgets for Fiscal Year 2011 (FY2011).

The supplemental budget reflects increases in delivering State services and programs that were not anticipated when the FY2011 budget was brought forward for consideration during the 2010 legislative session. The FY2011 operating supplemental request corrects errors made in the original calculation of bargaining unit agreement costs and funding sources, and a one-time request to address cash flow issues relating to the timing of industry receipts that support the Alaska Seafood Marketing Institute.

The FY2011 capital supplemental request includes increases in federal highway and aviation funds available for specific projects that are ready to go out for bid this summer, emergency repairs to roads and bridges, and reductions that reflect available balances for specific projects.

Thank you for your consideration of this bill.

Sean Parnell

Governor

Enclosure